

# CONSUMER'S GUIDE TO THE AGREEMENT OF SALE

*For use with 2010 revisions to PAR Form ASR*

A consumer service of the  
Pennsylvania Association of REALTORS®



Pennsylvania  
Association of  
REALTORS®

**CONSUMER'S GUIDE TO THE AGREEMENT OF SALE  
ACKNOWLEDGMENT OF RECEIPT**

The Consumer's Guide to the Agreement of Sale has been developed by the Pennsylvania Association of REALTORS® to help consumers who may be interested in buying or selling a home better understand the major terms of the PAR Standard Agreement for the Sale of Real Estate. This Guide is not a substitute for professional advice and counsel from a real estate broker and/or an attorney representing the consumer.

Signing this acknowledgment does not create any contractual relationship between the listed broker and the signing consumer. Any business relationship between the broker and consumer will be established in a separate written agreement between the broker and consumer.

I acknowledge that I have received the Consumer's Guide to the Agreement of Sale.

PRINT NAME \_\_\_\_\_ SIGNED \_\_\_\_\_ DATE \_\_\_\_\_

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PRINT NAME \_\_\_\_\_ SIGNED \_\_\_\_\_ DATE \_\_\_\_\_

BROKER (COMPANY NAME) \_\_\_\_\_

PROVIDED BY \_\_\_\_\_ DATE \_\_\_\_\_

-Consumer Copy -

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-Broker Copy -

## Table of Contents

Getting Started .....	6
Making an Offer .....	6
Agreement of Sale .....	6
Everything is Negotiable .....	7
What the Buyer Should Bring .....	7
The Parties .....	7
The Property .....	8
Who are the Brokers? .....	8
This Agreement .....	8
Purchase Price and Deposits .....	8
A Good Faith Deposit .....	9
Escrow Accounts .....	9
Seller Assist .....	10
Settlement and Possession .....	10
Settlement Date .....	10
Taxes .....	10
How Are Taxes Calculated? .....	11
Possession .....	11
Time Is of the Essence .....	11
Acceptance Deadline .....	11
Date and Times .....	11
Zoning Classification .....	12
Fixtures & Personal Property .....	12
Do You Need a Mortgage? .....	12
What do Pre-Qualified and Pre-Approved Mean? .....	13
Mortgage Amount .....	14
Mortgage Term .....	14
Loan-To-Value Ratio .....	14
Type of Mortgages .....	14
Mortgage Lenders .....	15
Mortgage Rates .....	15
What are Points? .....	16
Two Important Deadlines .....	16
Conditional Mortgage Commitments .....	16
Lender Requirements .....	17
What if the Loan is Not Approved? .....	17
Mortgage Application Checklist for Buyers .....	18
Seller Representations .....	18
Waiver of Contingencies .....	19
Inspections .....	19
Are Inspections Required? .....	20
How Long Will Inspections Take? .....	20
Home, Property and Environmental Hazards .....	20
Wood Infestation .....	21
Radon .....	21
Water Service .....	22

On-Lot Sewage .....	22
Property Insurance .....	22
Property Boundaries .....	23
Deeds, Restrictions & Zoning .....	23
Lead-Based Paint Hazards .....	23
Inspection Results .....	24
Notices, Assessments & Municipal Requirements .....	25
Notices and Assessments .....	25
Certificate of Occupancy or Use and Occupancy Permit .....	25
Condominium/Planned Community (Homeowner Association) Resale Notice .....	26
A Word to the Wise .....	26
Title, Surveys & Costs .....	26
Title to the Property .....	26
Maintenance & Risk of Loss .....	28
Home Warranties .....	28
Recording the New Deed.....	28
Assigning the Right to Purchase .....	29
Governing Law, Venue & Personal Jurisdiction .....	29
Representations .....	29
Default, Termination and Return of Deposits .....	30
Mediation .....	30
Release .....	31
Real Estate Recovery Fund .....	31
Communications With Buyer and/or Seller .....	31
Special Clauses .....	31
Signing the Agreement .....	32
Notices .....	32
Miscellaneous Broker's Services .....	32
Notes and Questions .....	33
Agreement of Sale (ASR) .....	35

*Welcome to the Consumer's Guide to the Agreement of Sale. This booklet is designed to help you to better understand the Standard Agreement for the Sale of Real Estate, which is produced, copyrighted and distributed by the Pennsylvania Association of REALTORS® ("PAR").*

This form, often just referred to as "the Agreement," is used by most REALTORS® across the state, and by many attorneys as well. Because it is the form that sets out all the terms agreed to by the buyer and seller, it may be the single most important form in your transaction.

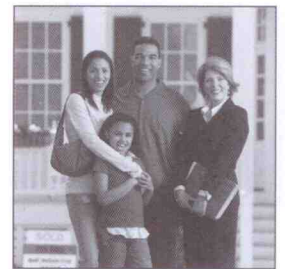
It is very important to read and understand **all** the terms and conditions in the Agreement. This booklet covers many common questions about the form, but it is not a substitute for the professional help of a REALTOR® and an attorney. If you don't understand something, ask your REALTOR® and/or attorney for more information **before** signing the Agreement.

Be sure to read the NOTICES AND INFORMATION paragraphs located on the back of the Agreement. (If the REALTOR® is using computer-generated forms the Notices will be printed on separate pages after the main body of the form.) Some of the Notices are required by law or regulation, while others are more informational, but all contain information that will help you to better understand the content of the Agreement.



As you go through the Guide, this icon will alert you to "check out" certain Notices that relate to a particular paragraph or clause in the Agreement.

**And remember, as you go through the Agreement of Sale, ask your REALTOR® (pronounced "REAL-tor") if you have any questions.**



### **What's a REALTOR®?**

Many consumers believe that the term REALTOR® is used for all real estate practitioners. In fact, only real estate professionals who belong to the National Association of REALTORS® (as well as the state and local Association) may use the term REALTOR®. As a condition of membership, all REALTORS® are bound by a Code of Ethics that goes above and beyond the requirements of state licensing law. Ask your real estate agent if he or she is a REALTOR®.

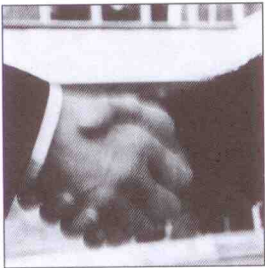
## GETTING STARTED

Whether you've done it once, a dozen times, or never before, a real estate transaction can be a terrifying, stressful, and exhilarating experience.

The good news is that by the time you read this booklet you've already gotten over some of the biggest hurdles in the whole process. As a seller, you've made the decision to put your home on the market; as a buyer, you've committed to the home buying process and may have even seen a few houses.

Now that things are moving along, the next big step for a buyer is to make an offer on a particular property. But when you sit down in front of this 11-page form filled with real estate jargon and "legalese," how can you be sure you understand what it all means?

The best advice is to arm yourself with a REALTOR® and/or attorney who can guide you through the process, explain your options, and answer your questions. Reviewing this booklet BEFORE making an offer or considering an offer from a buyer should address many of the questions you're likely to have. Where you still need more information, you will have plenty of time to ask your REALTOR® to clarify things before getting into the stress of negotiations.



### Making an Offer

Buyers should never make an offer on a property in haste without fully thinking through all of their options. After all, if the offer is accepted it now turns into a legally binding contract and may not be easy to get out of. But once a buyer has decided to pursue a particular property, it is wise to start the process as soon as possible. It can take as long as two hours to complete the Agreement of Sale and there are many decisions that must be made during that time.

The process of completing the Agreement of Sale will often take place at the REALTOR®'s office. With the use of fax machines and the increased acceptance of computer-generated forms, however, the Agreement can be filled out almost anywhere - buyers might not even be in the same room as the REALTOR® while they're filling it out. If you have particular needs in this regard (for example, you're buying a home in another area of the state and can't easily travel there for more than a day or two at a time), speak to your REALTOR® about the technology available in his or her office.

### The Agreement of Sale

In some areas of the country, a buyer might make an offer by submitting a form with only a few terms - sometimes one page or less. After the buyer and seller agree on this framework, the seller takes the house off the market while the parties negotiate all the other terms and conditions that will apply.

In Pennsylvania, however, the vast majority of "offers" are made by presenting the seller with a completely filled out Agreement of Sale that lists the terms and conditions requested by the buyer. The buyer and seller negotiate the complete terms of the Agreement, and if both sign off on the Agreement, the result is a legally binding contract.

Taking a couple of hours to fill out an entire agreement for a property you might not actually end up buying might seem like a lot of effort, and it is. Does it take more time and effort to make an offer with such complete terms? Yes. Experience has shown, however, that the effort helps both the buyer and seller by laying out ALL the terms and conditions desired by both parties so there are fewer surprises during the transaction.

